

**STATE OF ILLINOIS**

**ILLINOIS COMMERCE COMMISSION**

<b>TDS Metrocom, LLC</b>	:	
	:	
<b>Application for Transfer or Reissuance</b>	:	<b>02-0553</b>
<b>of Certificates of Service Authority</b>	:	
<b>granted to TDS Metrocom, Inc. in Docket</b>	:	
<b>00-0239.</b>	:	

**ORDER**

By the Commission:

On August 27, 2002, TDS Metrocom, LLC ("Applicant") filed a verified application with the Illinois Commerce Commission ("Commission"), pursuant to Sections 13-403, 13-404 and 13-405 of the Public Utilities Act ("Act"), requesting approval of the transfer to it of the Certificates of Service Authority granted by the Commission to TDS Metrocom, Inc. in Docket No. 00-0239, or in the alternative, the cancellation of the Certificates granted to TDS Metrocom, Inc. and the reissuance of the Certificates to Applicant. The application indicates that pursuant to Section 264 of the Delaware General Corporation Law and Section 18-209 of the Delaware Limited Liability Company Act, TDS Metrocom, Inc. was merged with and into Applicant, with Applicant as the surviving entity. The purpose of the merger was to convert TDS Metrocom, Inc. from a Delaware corporation to a Delaware limited liability company.

Commission approval is required for the issuance of certificates authorizing Applicant to provide resold and facilities-based local exchange telecommunications services and resold and facilities-based interexchange telecommunications services throughout the State of Illinois pursuant to Sections 13-403, 13-404 and 13-405 of the Act, and the cancellation of TDS Metrocom, Inc.'s certificates.

Pursuant to due notice, a pre-hearing conference was held in this matter before a duly authorized Administrative Law Judge of the Commission at its offices in Springfield, Illinois on December 9, 2002. Thereafter, an evidentiary hearing was held on January 9, 2003. Appearances were entered by counsel on behalf of Applicant, and by Robert Koch, a member of the Commission's Telecommunications Division, on behalf Commission Staff ("Staff"). Peter Healy, Manager of CLEC External Operations for TDS Metrocom, testified in support of the application. At the conclusion of the hearing, the record was marked "Heard and Taken."

TDS Metrocom, Inc. holds certificates issued by the Commission in Docket No. 00-0239 authorizing it to provide resold and facilities-based local exchange and interexchange telecommunications services in Illinois. TDS Metrocom, Inc. has provided notice to its Illinois customers and the Commission of the discontinuance of its

service, as required by Section 13-406 of the Act. The notice to its customers has been provided through a bill text message on the bills sent during the month of March, 2003. The text of the notice, set forth in Applicant's Late-Filed Exhibit PLR-2, indicates that TDS Metrocom, Inc. is changing to TDS Metrocom, LLC, effective May 1, 2003, and that this change will have no impact on customers.

Applicant is a Delaware limited liability corporation that is authorized to transact business in the State of Illinois. Applicant presented evidence which demonstrates that it has the necessary technical, financial and managerial resources and abilities to provide resold and facilities-based interexchange and local exchange telecommunications services in Illinois. Applicant possesses the same managerial and technical resources and ability to provide service as its predecessor, TDS Metrocom, Inc. Applicant will be using the same equipment and facilities that were used by TDS Metrocom, Inc. Applicant submitted copies of its income statement for the nine months ended September 30, 2002, and balance sheet as of September 30, 2002.

Applicant indicated that it will abide by all federal and state "slamming" and "cramming" statutes. Applicant also indicated that it has procedures in place to prevent "slamming" and "cramming."

Applicant requests waivers of Part 710 and Section 735.180 of Part 735 in relation to local exchange service and waivers of Part 710 and Part 735, in its entirety, in relation to interexchange service. Part 710 is entitled "Uniform System of Accounts for Telecommunications Carriers" ("USOA") and Part 735 is entitled "Procedures Governing the Establishment of Credit, Billing Deposits, Termination of Service and Issuance of Telephone Directories for Local Exchange Telecommunications Carriers in the State of Illinois." Section 735.180 concerns the provisioning of telephone directories by local exchange carriers.

In seeking a waiver of Part 710, Applicant asserts that it utilizes a system of accounts in conformity with generally accepted accounting principles ("GAAP") that are consistent with the principles embodied in the provisions of USOA.

In seeking a variance from Section 735.180 of Part 735, Applicant indicates that it will meet its obligation to list its local exchange customers in a directory by making arrangements to list such customers in directories published by the incumbent local exchange carriers ("ILECs") or competitive local exchange carriers ("CLECs").

Applicant requests that it be allowed to keep its books and records at its principal place of business in Madison, Wisconsin and not in Illinois under Section 250.20 of Part 250.

At the hearing, Robert Koch, a member of the Commission's Telecommunications Division, stated that Staff sees no reason why the relief requested by Applicant should not be granted.

Based on the foregoing, the Commission concludes that Applicant should be granted the requested certificates under Sections 13-403, 13-404 and 13-405 of the Act, as well as the requested waivers and variances. Applicant should be authorized to keep its books and records at its principal place of business in Madison, Wisconsin. The certificates issued to TDS Metrocom, Inc. in Docket No. 00-0239 should be canceled.

The Commission, having examined the entire record herein and being fully advised in the premises, is of the opinion and finds that:

- (1) TDS Metrocom, Inc. was granted certificates in Docket No. 00-0239 to provide facilities-based and resold local exchange and interexchange telecommunications services within Illinois;
- (2) Applicant is a Delaware limited liability company authorized to conduct business in Illinois seeking Certificates to provide, pursuant to Sections 13-403, 13-404, and 13-405 of the Act, facilities-based and resold local exchange and interexchange telecommunications services throughout Illinois;
- (3) the Commission has jurisdiction over Applicant and TDS Metrocom, Inc. and the subject matter of this proceeding;
- (4) the recital of facts and conclusions reached in the prefatory portions of this Order are supported by the record and are hereby adopted as findings of fact;
- (5) as required by Sections 13-403, 13-404, and 13-405, Applicant possesses sufficient technical, financial, and managerial resources and abilities to provide facilities-based and resold local exchange and interexchange telecommunications services within Illinois;
- (6) with regard to Applicant's provision of local exchange and interexchange services, Applicant should be granted a waiver from 83 Ill. Adm. Code 710, concerning the Uniform System of Accounts, so long as Applicant maintains its records in accordance with generally accepted accounting principles; such waiver will reduce the economic burden of regulation and is consistent with the Act;
- (7) with regard to Applicant's provision of local exchange services, Applicant should be granted a variance from 83 Ill. Adm. Code Section 735.180, which governs the issuance of telephone directories, on the condition that Applicant will meet the obligation to list its customers in a directory by making arrangements to list them in directories published by ILECs or CLECs;

- (8) with regard to Applicant's provision of interexchange services, Applicant should be granted a waiver from 83 Ill. Adm. Code Part 735, which governs the establishment of credit, billing deposits, termination of service, and issuance of telephone directories for local exchange carriers;
- (9) Applicant should be permitted to maintain its books and records outside of Illinois at its principal place of business in Madison, Wisconsin pursuant to 83 Ill. Adm. Code 250;
- (10) Applicant should file with the Commission the necessary tariffs, consisting of its rates, rules, and regulations to be effective upon proper filing, before commencing the proposed services;
- (11) the certificates granted to TDS Metrocom, Inc. in Docket No. 00-0239 should be canceled;
- (12) TDS Metrocom, Inc. should file a 2003 annual report with the Commission.

IT IS THEREFORE ORDERED by the Commission that TDS Metrocom, LLC is hereby granted Certificates pursuant to Sections 13-403, 13-404, and 13-405 of the Act for the provision of resold and facilities-based local exchange and interexchange telecommunications services; said certificates should read as follows:

#### CERTIFICATE OF INTEREXCHANGE SERVICE AUTHORITY

IT IS HEREBY CERTIFIED that TDS Metrocom, LLC is authorized, pursuant to Section 13-403 of the Public Utilities Act, to provide facilities-based interexchange telecommunications services within the State of Illinois.

#### CERTIFICATE OF SERVICE AUTHORITY

IT IS HEREBY CERTIFIED that TDS Metrocom, LLC is authorized, pursuant to Section 13-404 of the Public Utilities Act, to provide resold interexchange and resold local exchange telecommunications services within the State of Illinois.

#### CERTIFICATE OF EXCHANGE SERVICE AUTHORITY

IT IS HEREBY CERTIFIED that TDS Metrocom, LLC is authorized, pursuant to Section 13-405 of the Public Utilities Act, to provide facilities-based local exchange telecommunications services within the State of Illinois.

IT IS FURTHER ORDERED that TDS Metrocom, LLC is granted a waiver from 83 Ill. Adm. Code 710 regarding the Uniform System of Accounts as set forth in Finding (6) above.

IT IS FURTHER ORDERED that TDS Metrocom, LLC is granted a waiver from 83 Ill. Adm. Code Section 735.180, which governs the issuance of telephone directories, as set forth in Finding (7) above with respect to its provision of local exchange telecommunications services.

IT IS FURTHER ORDERED that TDS Metrocom, LLC is granted a waiver from 83 Ill. Adm. Code 735, as set forth in Finding (8) above with respect to its provision of interexchange telecommunications services.

IT IS FURTHER ORDERED that TDS Metrocom, LLC is authorized to maintain its books and records at its principal place of business in Madison, Wisconsin as described in the prefatory portion of this order pursuant to 83 Ill. Adm. Code 250.

IT IS FURTHER ORDERED that TDS Metrocom, LLC shall file with this Commission the necessary tariffs, consisting of its rates, rules, and regulations to be effective upon proper filing, before commencing any of the proposed services.

IT IS FURTHER ORDERED that TDS Metrocom, Inc.'s Certificates to provide resold and facilities-based interexchange and local exchange telecommunications services, issued in Docket No. 00-0239, are canceled.

IT IS FURTHER ORDERED that TDS Metrocom, Inc. shall comply with the requirement in Finding (12) of this Order.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By order of the Commission this 7th day of May, 2003.

(SIGNED) EDWARD C. HURLEY

Chairman